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Voluntary Moves Within a Facility - Applicable MPIR & DAP

When a post 1 July 2015 resident voluntarily moves from one room in a facility to another, their residential care agreement must be varied to include the new agreed accommodation payment amount. The MPIR as at the date on which the new accommodation agreement is made is used to calculate the DAP on the new room price. Surprisingly, this change in MPIR could mean that a resident may elect to move from a \$350,000 room for which they had been paying by a full DAP of \$64.72/day (based on Jan 2015 MPIR of 6.75%pa) to a more expensive \$365,000 room but pay a full DAP of just \$63.60/day (based on the Apr 2015 MPIR of 6.36%pa).

Reminder to Update Your Published Room Prices

In line with government changes in the MPIR, your DAP amounts on My Aged Care are automatically re-calculated. The onus is on the provider to update their published DAP amounts in their Key Features Statements, website and any other marketing materials.

When the MPIR is lowered, the DAP amount on each room price will also be lower.

Providers could elect to increase each room's RAD prices (up to the \$550,000 threshold without application to ACPC) to keep the DAP unchanged.

1 July 2015 Termination of 30% Subsidy for Pre-entry Leave

On 1 July 2015, the government will cease paying the 30% subsidy currently available during pre-entry leave.

During pre-entry leave a provider is also able to charge the basic daily fee, but not any accommodation payment amounts.



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